

State of South Dakota

EIGHTY-NINTH SESSION LEGISLATIVE ASSEMBLY, 2014

400V0244

HOUSE BILL NO. 1050

Introduced by: The Committee on Judiciary at the request of the Department of Labor and Regulation

1 FOR AN ACT ENTITLED, An Act to revise certain enforcement actions by the insurance
2 director.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 58-4-28.1 be amended to read as follows:

5 58-4-28.1. In any case in which the director has the power to deny an application or
6 registration, or to revoke, refuse to renew, or suspend the license of any insurance producer,
7 ~~solicitor, or~~ administrator, licensee, or entity required to be registered under this title, or the
8 certificate of authority of any insurance company or health maintenance organization, the
9 director may ~~permit an applicant or licensee to elect in writing to pay~~ impose a specified money
10 penalty to be paid within a specified time in lieu of a license suspension or other permitted
11 action. No penalty may be imposed under this section prior to a hearing conducted pursuant to
12 chapter 1-26 unless the applicant, licensee, or registrant agrees to the penalty in writing.

13 The money penalty may not exceed five thousand dollars for an insurance producer or
14 twenty-five thousand dollars for an insurer, administrator, ~~or~~ health maintenance organization,
15 licensee, or registrant for each offense.

